



500 Capitol Mall, Suite 1600  
Sacramento, California 95814  
main 916 447 0700  
fax 916 447 4781  
www.stoel.com

April 17, 2012

JOHN A. MCKINSEY  
Direct (916) 319-4746  
jamckinsey@stoel.com

**VIA EMAIL**

The Honorable Karen Douglas  
Mr. Paul Kramer, Hearing Officer  
California Energy Commission  
1516 Ninth Street  
Sacramento, CA 95814

**Re: Carlsbad Energy Center Project (07-AFC-6)  
Applicant's Comments on the Revised Presiding Member's Proposed Decision  
(RPMPD)**

Dear Commissioner Douglas and Hearing Officer Kramer:

Pursuant to the Notice of Availability of the Revised Presiding Member's Proposed Decision ("PMPD") dated March 28, 2012, Applicant Carlsbad Energy Center LLC respectfully submits the following initial comments on the RPMPD for the Carlsbad Energy Center Project ("CECP"). Applicant appreciates the opportunity to provide these comments prior to the April 19, 2012 Committee Conference and looks forward to the presentation of the RPMPD to the full Commission on May 31, 2012. In addition to submission of the following preliminary comments regarding the RPMPD, Applicant reserves the right to provide additional comments, if necessary, on or before the April 27, 2012 RPMPD comment deadline.

The RPMPD presents a sound and responsible decision by the Committee. The decision largely recognizes the parties' differing positions and incorporates a significant number of conditions of certification to ensure compliance with all applicable laws, ordinances, regulations, and standards ("LORS"). The RPMPD also recognizes the various benefits of CECP, which include:

- Modernizes existing aging electrical generation infrastructure in north, coastal San Diego County. Modernization of aging electrical generation infrastructure is a primary objective shared by the energy and environmental agencies in California, including the California Public Utilities Commission (CPUC), California Energy Commission (CEC), California Independent System Operator (CAISO), and publicly owned utilities.



April 17, 2012

Page 2

- Meets the commercial qualifications for long-term power contract opportunities in southern California.
- Eliminates use of once through cooling (OTC) technology.
- Reduces the effects of climate change from GHG emissions.
- Improves San Diego electrical system reliability through fast-start technology, creating a rapid responding resource that can enhance reliability during peak demand situations or following the unexpected loss of generation or transmission, with significant environmental benefits of combined cycle efficiency and dry-cooling technology.
- Accomplishes CPUC-preferred “brownfield” redevelopment of an existing power plant for a net increase in electrical generation capacity to support electrical system and local resource supply requirements in the San Diego area.
- Facilitates the retirement of the existing power units at Encina Power Station, the removal of the power building, and general redevelopment of the western portions of the power plant property
- Provides 540 MW net (558 MW gross) of generation in a subarea of the San Diego load area for which the California Independent System Operator has identified a need.
- Facilitates the integration of renewable energy into the electricity system by providing 540 MW of flexible generation to respond to fluctuations in renewable generation due to factors such as changes in wind velocity and solar shading by passing clouds
- Provides a new facility that will operate more efficiently than older, less efficient generating units that might be called upon to fulfill the role of integration of renewable energy, thereby reducing overall electricity system GHG emissions and fuel use. By supporting the integration of renewable energy generation, which uses little or no fossil fuels, and by increasing the efficiency of the natural gas fired generating fleet, CECP will support California’s renewable energy goals.
- Provides electrically local real and reactive power support that promotes reliability in light of the growing uncertainty surrounding the future operation of the San Onofre Nuclear Generating Station.



April 17, 2012

Page 3

- Reuses existing infrastructure (fuel lines, transmission lines, water sources), avoiding disruption and potential impacts from the construction and operation of new infrastructure to serve a previously undeveloped site.
- Creates local and regional economic benefits. CECP will provide construction jobs for an average and peak workforce of 237 and 357, respectively.
- Adds significant construction payroll and other revenues to the local economy. Construction and operation of CECP will add to the economy a \$53.9 million construction payroll over 25 months. Sales and use taxes during construction are estimated at \$1.7 million and \$348,750 annual during operations. An estimated \$4.5 million would be spent annually for local operations and maintenance. Property taxes are estimated at \$3,564,610– \$4,583,070 per year.

Most importantly, the RPMPD, with its proposed conditions of certifications LAND-2 and LAND-3, eliminates the argument and concern that CECP adds a second power plant to the region. Instead, it cannot be clearer that CECP displaces and replaces the existing Encina Power Station and brings about vast and significant environmental and community benefits to the region. This is a tremendous benefit and accomplishment for the citizens of Carlsbad and members of the North San Diego County community.

#### CONCLUSION

Applicant fully supports the RPMPD and has no substantive recommended changes to the RPMPD at this time. Applicant appreciates the Staff's and the Committee's diligence to publish the RPMPD and looks forward to participating in the April 19, 2012 Committee Conference and the May 31, 2012 hearing on the RPMPD.

Respectfully submitted,

John A. McKinsey

JAM:jmw

Enclosure

cc: See Proof of Service List



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT  
COMMISSION OF THE STATE OF CALIFORNIA  
1516 NINTH STREET, SACRAMENTO, CA 95814  
1-800-822-6228 – [WWW.ENERGY.CA.GOV](http://WWW.ENERGY.CA.GOV)

**APPLICATION FOR CERTIFICATION  
FOR THE CARLSBAD ENERGY  
CENTER PROJECT**

**Docket No. 07-AFC-6  
PROOF OF SERVICE**  
(Revised 3/27/2012)

**APPLICANT**

Jennifer Hein  
George Piantka, PE.  
NRG Energy, Inc., West Region  
5790 Fleet Street, Ste. 200  
Carlsbad, CA 92008  
[jennifer.hein@nrgenergy.com](mailto:jennifer.hein@nrgenergy.com)  
[george.piantka@nrgenergy.com](mailto:george.piantka@nrgenergy.com)

**APPLICANT'S CONSULTANTS**

Robert Mason, Project Manager  
CH2M Hill, Inc.  
6 Hutton Centre Drive, Ste. 700  
Santa Ana, CA 92707  
[Robert.Mason@ch2m.com](mailto:Robert.Mason@ch2m.com)

Megan Sebra CH2M Hill, Inc.  
2485 Natomas Park Drive,  
Ste. 600 Sacramento, CA  
95833  
[Megan.Sebra@ch2m.com](mailto:Megan.Sebra@ch2m.com)

**COUNSEL FOR APPLICANT**

John A. McKinsey  
Stoel Rives, LLP  
500 Capitol Mall, Suite 1600  
Sacramento, CA 95814  
[jamckinsey@stoel.com](mailto:jamckinsey@stoel.com)

**INTERESTED**

**AGENCIES** California ISO  
[e-recipient@caiso.com](mailto:e-recipient@caiso.com)

**INTERVENORS** Terramar  
Association Kerry  
Siekmann & Catherine  
Miller 5239 El Arbol  
Carlsbad, CA 92008  
[siekmann1@att.net](mailto:siekmann1@att.net)

City of Carlsbad  
South Carlsbad Coastal  
Redevelopment Agency  
Allan J. Thompson  
21 "C" Orinda Way  
#314 Orinda, CA 94563  
[allanori@comcast.net](mailto:allanori@comcast.net)

City of Carlsbad  
South Carlsbad Coastal  
Redevelopment Agency  
Joseph Garuba,  
Municipals Project Manager  
Ronald R. Ball, Esq., City Attorney  
1200 Carlsbad Village Drive  
Carlsbad, CA 92008  
[Joe.Garuba@carlsbadca.gov](mailto:Joe.Garuba@carlsbadca.gov)  
[ron.ball@carlsbadca.gov](mailto:ron.ball@carlsbadca.gov)

California Unions for Reliable Energy  
(CURE)  
Marc D. Joseph  
Adams Broadwell Joseph & Cardozo  
601 Gateway Boulevard, Suite 1000  
South San Francisco, CA 94080  
[gsmith@adamsbroadwell.com](mailto:gsmith@adamsbroadwell.com)  
[mdjoseph@adamsbroadwell.com](mailto:mdjoseph@adamsbroadwell.com)

Center for Biological  
Diversity c/o William B.  
Rostov EARTH JUSTICE  
426 17th Street, 5th Floor  
Oakland, CA 94612  
[wrostov@earthjustice.org](mailto:wrostov@earthjustice.org)

Power of Vision  
Julie Baker & Arnold Roe, Ph.D.  
4213 Sunnyhill Drive Carlsbad,  
California 92013  
[julbaker@pacbell.net](mailto:julbaker@pacbell.net)  
[roe@ucla.edu](mailto:roe@ucla.edu)

Rob Simpson  
Environmental Consultant  
27126 Grandview Avenue  
Hayward, CA 94542  
[rob@redwoodrob.com](mailto:rob@redwoodrob.com)

April Rose Sommer  
Attorney for Rob Simpson  
P.O. Box 6937  
Moraga, CA 94570  
[aprilsummerlaw@yahoo.com](mailto:aprilsummerlaw@yahoo.com)

**ENERGY COMMISSION  
– DECISIONMAKERS**

KAREN DOUGLAS  
Commissioner and Associate Member  
[kldougl@energy.state.ca.us](mailto:kldougl@energy.state.ca.us)

Galen Lemei  
Adviser to Commissioner Douglas  
[glemei@energy.state.ca.us](mailto:glemei@energy.state.ca.us)

Tim Olson  
Adviser to Commissioner Douglas  
[tolson@energy.state.ca.us](mailto:tolson@energy.state.ca.us)

Paul Kramer  
Hearing Officer  
[pkramer@energy.state.ca.us](mailto:pkramer@energy.state.ca.us)

**ENERGY COMMISSION  
STAFF** Mike Monasmith  
Siting Project Manager  
[mmonasmi@energy.state.ca.us](mailto:mmonasmi@energy.state.ca.us)

Dick Ratliff  
Staff Counsel  
[dratliff@energy.state.ca.us](mailto:dratliff@energy.state.ca.us)

**ENERGY COMMISSION –  
PUBLIC ADVISER**  
Jennifer Jennings  
Public Adviser's Office  
[publicadviser@energy.state.ca.us](mailto:publicadviser@energy.state.ca.us)

## DECLARATION OF SERVICE

I, Judith M. Warmuth, declare that on April 17, 2012, I served and filed a copy of the attached:

### **APPLICANT'S COMMENTS ON THE REVISED PRESIDING MEMBER'S PROPOSED DECISION (RPMPD)**

This document is accompanied by the most recent Proof of Service list, located on the web page for this project at:  
[www.energy.ca.gov/sitingcases/carlsbad/index.html](http://www.energy.ca.gov/sitingcases/carlsbad/index.html).

The document has been sent to the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit or Chief Counsel, as appropriate, in the following manner:

**(Check all that Apply)**

**For service to all other parties:**

- ☒ Served electronically to all e-mail addresses on the Proof of Service list;
- ☐ Served by delivering on this date, either personally, or for mailing with the U.S. Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date to those addresses marked "hard copy required."

**AND**

**For filing with the Docket Unit at the Energy Commission:**

- ☒ by hand delivering an original paper copy and emailing an electronic copy to the address below (preferred method);

**OR**

- ☐ by depositing an original and 12 paper copies in the mail with the U.S. Postal Service with first class postage thereon fully prepaid, as follows:

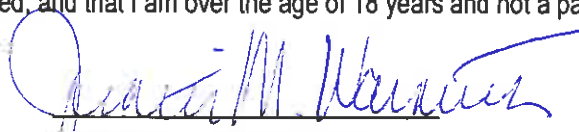
**CALIFORNIA ENERGY COMMISSION – DOCKET UNIT**  
Attn: Docket No. 07-AFC-6 1516 Ninth Street,  
MS-4 Sacramento, CA 95814-5512  
[docket@energy.state.ca.us](mailto:docket@energy.state.ca.us)

**OR, if filing a Petition for Reconsideration of Decision or Order pursuant to Title 20, § 1720:**

- ☐ Served by delivering on this date one electronic copy by e-mail, and an original paper copy to the Chief Counsel at the following address, either personally, or for mailing with the U.S. Postal Service with first class postage thereon fully prepaid:

California Energy Commission Michael  
J. Levy, Chief Counsel 1516 Ninth Street  
MS-14 Sacramento, CA 95814  
[mlevy@energy.state.ca.us](mailto:mlevy@energy.state.ca.us)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

  
JUDITH M. WARMUTH

\*indicates change